

Jefferson Gas, LLC
220 Lexington Green, Bldg 2, Suite 130
P.O. Box 24032
Lexington, KY 40524-4032
Tele (859) 245-8193

RECEIVED

MAR 31 2004

PUBLIC SERVICE
COMMISSION

March 29, 2004

Mr. Thomas Dorman
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

RE: Jefferson Gas, LLC
Case No. 2004-00118
GCR Filing Proposed to Become
Effective May 1, 2004

Dear Mr. Dorman:

Enclosed are an original and five copies of Jefferson Gas Transmission's Gas Cost Recovery (GCR) filing for rates proposed to become effective May 1, 2004. Also included are an original and five copies of 13th revised sheet No. 1 of Jefferson's PSC Kentucky No. 1 Tariff, which are being filed pursuant to the Purchased Gas Adjustment provision of that Tariff.

This filing proposes a GCR rate of \$4.9002 per MCF of sales.

Sincerely,



Bert R. Layne

Jefferson Gas, LLC

Quarterly Report of Gas Cost
Recovery Rate Calculation

| Date Filed: March 29, 2004

| Date Rates to be Effective: May 1, 2004

| Reporting Period is Calendar Quarter Ended: July 31, 2004

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

| <u>Component</u> | <u>Unit</u> | <u>Amount</u> |
|--|-------------|----------------------|
| Expected Gas Cost (EGC) | \$/Mcf | <u>4.4488</u> |
| + Refund Adjustment (RA) | \$/Mcf | |
| + Actual Adjustment (AA) | \$/Mcf | <u>.4514</u> |
| + Balance Adjustment (BA) | \$/Mcf | |
| = Gas Cost Recovery Rate (GCR) | | <u>4.9002</u> |
| GCR to be effective for service rendered from <u>May 1, 2004</u> | to | July <u>31, 2004</u> |

| A. | <u>EXPECTED GAS COST CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
|----|---------------------------------------|-------------|---------------|
| | Total Expected Gas Cost (Schedule II) | \$ | |
| ÷ | Sales for the 12 months ended _____ | Mcf | |
| = | Expected Gas Cost (EGC) | \$/Mcf | |

| B. | <u>REFUND ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
|----|---|-------------|---------------|
| | Supplier Refund Adjustment for Reporting Period (Sch.III) | | |
| + | Previous Quarter Supplier Refund Adjustment | \$/Mcf | |
| + | Second Previous Quarter Supplier Refund Adjustment | \$/Mcf | |
| + | Third Previous Quarter Supplier Refund Adjustment | \$/Mcf | |
| = | Refund Adjustment (RA) | \$/Mcf | |

| C. | <u>ACTUAL ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
|----|--|-------------|----------------|
| | Actual Adjustment for the Reporting Period (Schedule IV) | \$/Mcf | <u>.3823</u> |
| + | Previous Quarter Reported Actual Adjustment | \$/Mcf | <u>(.0604)</u> |
| + | Second Previous Quarter Reported Actual Adjustment | \$/Mcf | <u>(.0103)</u> |
| + | Third Previous Quarter Reported Actual Adjustment | \$/Mcf | <u>.1398</u> |
| = | Actual Adjustment (AA) | \$/Mcf | <u>.4514</u> |

| D. | <u>BALANCE ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
|----|--|-------------|---------------|
| | Balance Adjustment for the Reporting Period (Schedule V) | \$/Mcf | |
| + | Previous Quarter Reported Balance Adjustment | \$/Mcf | |
| + | Second Previous Quarter Reported Balance Adjustment | \$/Mcf | |
| + | Third Previous Quarter Reported Balance Adjustment | \$/Mcf | |
| = | Balance Adjustment (BA) | \$/Mcf | |

SCHEDULE II
EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended _____

| (1) Supplier | (2) Dth | (3) BTU Conversion Factor | (4) Mcf | (5)** Rate | (6) (4) X (5) Cost |
|-----------------|------------|---------------------------------|------------|---------------|--------------------------|
|-----------------|------------|---------------------------------|------------|---------------|--------------------------|

Totals _____

Line loss for 12 months ended _____ is _____ % based on purchases of
_____ Mcf and sales of _____ Mcf.

| | Unit | Amount |
|---|--------|--------|
| Total Expected Cost of Purchases (6) | \$ | _____ |
| ÷ Mcf Purchases (4) | Mcf | _____ |
| = Average Expected Cost Per Mcf Purchased | \$/Mcf | _____ |
| x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95) | Mcf | _____ |
| = Total Expected Gas Cost (to Schedule IA) | \$ | _____ |

*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

**Supplier's tariff sheets or notices are attached.

\$4.4488 Per Attached Schedule

Merca



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Natural Gas

Futures Options e-miNY Futures NYMEX ClearPort

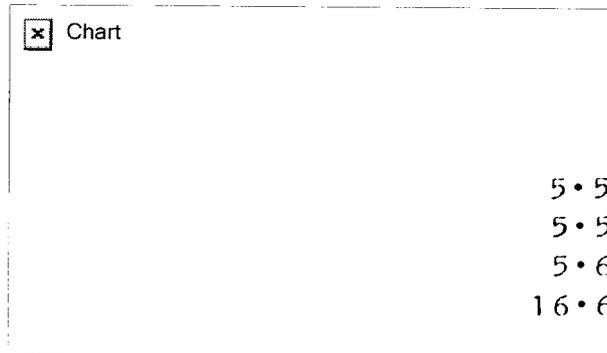
- Market Data
 - Current Session Overview
 - Current Expanded Table
 - Previous Session Overview
 - Previous Expanded Table
 - Historical Data
- Contract Detail
 - Description
 - Specifications
 - Margins
 - Termination Schedule
 - Request for Information
 - Exchange for Futures for Swaps (EFS)
- Squawk Box
 - Description
 - Registration

3/25/04 Session Overview

| | Last | Open High | Open Low | High | Low | Most Recent Settle | Change |
|-------------------|-------|-----------|----------|-------|-------|--------------------|--------|
| <u>April 2004</u> | 5.340 | 5.380 | 5.360 | 5.430 | 5.330 | 5.429 | -0.089 |
| <u>May 2004</u> | 5.430 | 5.450 | 5.430 | 5.510 | 5.420 | 5.501 | -0.071 |
| <u>June 2004</u> | 5.500 | 5.505 | 5.490 | 5.571 | 5.490 | 5.567 | -0.067 |
| <u>July 2004</u> | 5.560 | 5.570 | 5.550 | 5.620 | 5.550 | 5.615 | -0.055 |
| <u>Aug 2004</u> | 5.670 | 5.595 | 5.595 | 5.670 | 5.580 | 5.641 | 0.029 |
| <u>Sep 2004</u> | 5.580 | 5.555 | 5.555 | 5.620 | 5.550 | 5.616 | -0.036 |

[View all contract months, volume, and open interest](#)

15 Minute Intraday Chart (Delayed Data)



[View Daily Interactive](#)

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- Margins view
- Non-Member Customer Initial
- Member Customer Initial
- Clearing Member and Customer Maintenance

Quotes - J4

| Last | Change | Previous | Most recent se | High | Open Interest | Low | Volume |
|---------|--------|----------|----------------|------|---------------|-----|--------|
| 5•5010 | + | | | | | | |
| 5•5670 | + | | | | | | |
| 5•6150 | + | | | | | | |
| 16•6830 | * | | | | | | |
| 16•6830 | ÷ | | | | | | |
| 3•0000 | = | | | | | | |
| 5•5610 | + | | | | | | |
| 5•5610 | * | | | | | | |
| 5•5610 | × | | | | | | |
| 0•8000 | = | | | | | | |
| 4•4488 | + | | | | | | |
| 4•4488 | * | | | | | | |

[Notice](#)

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended _____ (reporting period)

| <u>Particulars</u> | <u>Unit</u> | <u>Amount</u> |
|--|-------------|---------------|
| Total supplier refunds received | \$ | |
| + Interest | \$ | |
| <hr/> = Refund Adjustment including interest | \$ | <hr/> |
| ÷ Sales for 12 months ended | Mcf | |
| <hr/> = Supplier Refund Adjustment for the Reporting Period (to Schedule IB.) | \$/Mcf | <hr/> |

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 3 month period ended January 31, 2004

| <u>Particulars</u> | <u>Unit</u> | <u>Month 1</u> <u>(Nov03)</u> | <u>Month 2</u> <u>(Dec03)</u> | <u>Month 3</u> <u>(Jan04)</u> |
|--|-------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Total Supply Volumes Purchased | Mcf | <u>1,047</u> | <u>1,514</u> | <u>2,437</u> |
| Total Cost of Volumes Purchased | \$ | <u>4,596.33</u> | <u>6,373.94</u> | <u>13,939.64</u> |
| ÷ Total Sales (may not be less than 95% of supply volumes) | Mcf | <u>1,047</u> | <u>1,514</u> | <u>2,437</u> |
| = Unit Cost of Gas | \$/Mcf | <u>4.39</u> | <u>4.21</u> | <u>5.72</u> |
| - EGC in effect for month | \$/Mcf | <u>4.1893</u> | <u>4.1893</u> | <u>4.1893</u> |
| = Difference [(over-)/Under-Recovery] | \$/Mcf | <u>.2007</u> | <u>.0207</u> | <u>1.5307</u> |
| x Actual sales during month | Mcf | <u>1,047</u> | <u>1,514</u> | <u>2,437</u> |
| = Monthly cost difference | \$ | <u>210.13</u> | <u>31.34</u> | <u>3,730.32</u> |
| | | | <u>Unit</u> | <u>Amount</u> |
| Total cost difference (Month 1 + Month 2 + Month 3) | | | \$ | <u>3,971.79</u> |
| ÷ Sales for 12 months ended | | | Mcf | <u>10,388</u> |
| = Actual Adjustment for the Reporting Period (to Schedule IC.) | | | \$/Mcf | <u>.3823</u> |

MCFs Sold Last 12 Months

| | |
|--------|--------|
| Jan-03 | 2,400 |
| Feb-03 | 1,943 |
| Mar-03 | 1,158 |
| Apr-03 | 758 |
| May-03 | 258 |
| Jun-03 | 172 |
| Jul-03 | 173 |
| Aug-03 | 198 |
| Sep-03 | 203 |
| Oct-03 | 564 |
| Nov-03 | 1,047 |
| Dec-03 | 1,514 |
| | 10,388 |

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____ (reporting period)

| | <u>Particulars</u> | <u>Unit</u> | <u>Amount</u> |
|-----|---|------------------------|---------------------------|
| (1) | Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the AA was in effect. Equals: Balance Adjustment for the AA. | \$ \$ \$ | _____ |
| (2) | Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR. Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect. Equals: Balance Adjustment for the RA | \$ \$ | _____ |
| (3) | Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the BA was in effect. Equals: Balance Adjustment for the BA. | \$ \$ \$ | _____ |
| | Total Balance Adjustment Amount (1) + (2) + (3) | \$ | _____ |
| ÷ | Sales for 12 months ended _____ | Mcf | _____ |
| = | Balance Adjustment for the Reporting Period (to Schedule ID.) | \$/Mcf | _____ |

Entire Service Area

FOR _____
Community, Town or City

P.S.C. KY. NO. _____ **1**

13th Revised SHEET NO. _____ **1**

CANCELLING P.S.C. KY. NO. _____ **1**

12th Revised SHEET NO. _____ **1**

Jefferson Gas, LLC

(Name of Utility)

CONTENTS

Applies to: All customers

Rates, Monthly:

| | | | Base rate | Gas cost | Rate per unit (Mcf) |
|----------|------------|--------------|--------------|-------------|------------------------|
| First | 0 to 1 Mcf | Minimum bill | 3.89 | 4.9002 | 8.7902 |
| All over | 1 Mcf | | 2.26 | 4.9002 | 7.1602 |

DATE OF ISSUE **March 29, 2004**
Month / Date / Year

DATE EFFECTIVE **May 1, 2004**
Month / Date / Year

ISSUED BY **Bert R. Layne**
(Signature of Officer)

TITLE **CPA**

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____